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S.A.

C. DUKES SCOTT  
EXECUTIVE DIRECTOR



DAN F. ARNETT  
CHIEF OF STAFF

P.O. Box 11263  
Columbia, S.C. 29211

Phone: (803) 737-0800  
Fax: (803) 737-0801

JOHN W. FLITTER  
DIRECTOR  
ELECTRIC & GAS REGULATION

October 19, 2005

**VIA HAND-DELIVERY**

Charles L. A. Terreni  
Chief Clerk & Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

RECEIVED  
OCT 20 2005  
PSC SC  
DOCKETING DEPT.

RECEIVED  
2005 OCT 20 AM 11:04  
SC PUBLIC SERVICE  
COMMISSION  
10/20/05  
Ted

Re: Docket No. 2005-336-E; Application for approval of Electric Service Contract between South Carolina Electric & Gas Company (SCE&G) and Parkdale America, LLC

Dear Mr. Terreni:

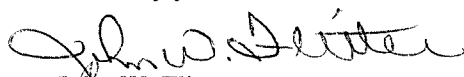
This is to acknowledge that the Office of Regulatory Staff (ORS) has reviewed the above referenced filing and has no objection to the proposed electric service contract between SCE&G and Parkdale America, LLC ("Parkdale"). Parkdale's plant is located Edgefield County, South Carolina near the town of Edgefield and is a cotton yarn spinning facility.

This contract was executed under SCE&G's economic development program and provides economic incentives associated with new load only. SCE&G entered into this agreement to retain and expand the load being served at this facility. According to the Application, there was competition for the addition of the significant investment in this new load from locations other than the Edgefield plant, and by acquiring the new load at the South Carolina location it will allow the plant to be more efficient and give it a better chance to obtain future work and job retention.

If the Commission is inclined to grant this request, ORS would recommend including a provision to require SCE&G to track any resulting revenue shortfall and reserve the appropriate ratemaking treatment related to any shortfall for a future rate proceeding or review as determined by the Commission.

Thank you for the opportunity to provide our comments in this matter.

Sincerely yours,

  
John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Florence Belser, General Counsel, SC ORS  
Patricia Banks Morrison, Senior Counsel, SCANA  
John B. Nims, President, Parkdale America LLC  
Dr. James Spearman, Executive Assistant, SCPSC  
F. David Butler, Esquire, SCPSC

RE/OWN DATE: N/A  
SERVICE: OK Ted